

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

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IN THE MATTER OF: VENDING DREAMS, )  
ITS OFFICERS, DIRECTORS, )  
EMPLOYEES, AGENTS, AFFILIATES, ) File No. 0500065  
SUCCESSORS AND ASSIGNS, )  
STEVEN MILLS, JIM ELLIS, )  
MAJOR ITULE, BOB DILLION, )  
AND SUSAN DAVIS )

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ORDER TO CEASE AND DESIST

TO THE RESPONDENT: Vending Dreams  
9994 North Firebaugh Street  
Stoy, Illinois 62464

Vending Dreams  
306 E. Main St.  
Oblong, Illinois 62449

WHEREAS, a Summary Order to Cease and Desist was issued by the Secretary of State on September 14, 2005, ordering Vending Dreams, by and through its officers, directors, employees, agents, affiliates, successors and assigns, including Susan Davis, Steven Mills, Jim Ellis, Major Itule and Bob Dillion, to cease and desist from offering and/or selling any business opportunity in the State of Illinois until further order of the Secretary of State.

WHEREAS, pursuant to Section 5-65(1) of the Business Opportunity Sales Law of 1995, [815 ILCS 602 5/1 et seq.] (the "Act"), the failure to request a hearing within thirty (30) days of the receipt of the Summary Order to Cease and Desist shall constitute a sufficient basis to make the Summary Order final.

WHEREAS, Respondent Vending Dreams, by and through its officers, directors, employees, agents, affiliates, successors and assigns, including Susan Davis, Steven Mills, Jim Ellis, Major Itule and Bob Dillion, have failed to request a hearing on the matters contained in the Summary Order within thirty

Order to Cease and Desist

-2-

(30) days of receipt of said Summary Order and that they are hereby deemed to have admitted the facts alleged in the said Summary Order.

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Findings of Fact contained in the said Summary Order as the Secretary of State's Final Findings of Fact as follows:

COUNT I: VIOLATION OF SECTION 5-95

1. That the Respondent, Vending Dreams, is a purported business entity with a last known address of 9994 North Firebaugh Street, Stoy, Illinois 62464 and 306 E. Main St., Oblong, Illinois 62449;
2. That, at all times relevant the Respondents Susan Davis, Steven Mills, Jim Ellis, Major Itule and Bob Dillion were officers, directors, agents or employees of Vending Dreams;
3. That on or about August 20, 2004, Respondent Vending Dreams, by and through its officers, directors, employees, agents, affiliates, successors and assigns, including Susan Davis, Steven Mills, Jim Ellis, Major Itule and Bob Dillion, offered and/or sold to PJ an opportunity to purchase supplies, equipment or services purportedly sufficient to enable PJ to start a business, and provided PJ assistance in finding locations for the use and operations of vending machines on premises neither owned nor leased by Respondent or PJ by representing that it would secure 2 vending machine location in return for a payment from PJ to Respondent in the amount of \$250;
4. That Section 5-5.10(a) of the Illinois Business Opportunity Sales Law of 1995, [815 ILCS 602 5-1 et seq.] (the "Act") provides, inter alia, that a business opportunity is a contract or agreement, between a seller and a purchaser, express or implied, orally or in writing, wherein it is agreed that the seller or a person recommended by the seller shall provide to the purchaser any product, equipment, supplies or services enabling the purchaser to start a business when the purchaser is required to make a payment to the seller or a person recommended by the seller and the seller represents

Order to Cease and Desist

-3-

directly or indirectly, orally or in writing, that the seller or person recommended by the seller will provide or assist the purchaser in finding locations for the use or operation of vending machines on premises neither owned or leased by the purchaser or seller;

5. That the above-referenced promotion, solicitation or offer constitutes an offer and/or sale of a business opportunity as those terms are defined pursuant to Sections 5-5.10 and 5-5.20 of the Act;
6. That Respondent Vending Dreams, by and through its officers, directors, employees, agents, affiliates, successors and assigns, including Susan Davis, Steven Mills, Jim Ellis, Major Itule and Bob Dillion, failed to place vending machines at either of the aforesaid locations;
7. That as of this date, PJ has not received a return of his money that he paid Respondent in this regard;
8. That Section 5-95 of the Act provides, inter alia, that it is unlawful for any person, in connection with the offer or sale of any business opportunity in this State of Illinois, directly or indirectly, to employ any device, scheme or artifice to defraud, to make any untrue statement of material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstance under which they are made, not misleading, or to engage in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person;
9. That at all times relevant, Respondent Vending Dreams, by and through its officers, directors, employees, agents, affiliates, successors and assigns, including Susan Davis, Steven Mills, Jim Ellis, Major Itule and Bob Dillion, made an untrue statement of material fact and engaged in an act, practice or course of business which operated as a fraud or deceit upon PJ, in that Respondent represented to PJ that, in return for a fee, it would secure 2 vending machine locations, when in fact, Respondent never secured any of the aforesaid locations; as of this date, PJ has not received a return of any of his money paid to Respondent in this regard;

Order to Cease and Desist

-4-

10. That Section 5-65(1) of the Act provides, inter alia, that if the Respondent to an Order to Cease and Desist fails to file a written request a hearing within 30 days after the date of the entry of original Order to Cease and Desist, said Order will be permanent and the person named in the order will be deemed to have waived all rights to a hearing;

COUNT II: VIOLATION OF SECTION 5-25

- 1-2. Paragraphs 1-2 of Count I are re-alleged and incorporated as paragraphs 1-2 of this Count II;
3. That during the months of January through February, 2005, IR purchased vending machines through Vendstar, a purported business entity located in Deer Park, New York;
4. That as part of the aforesaid sale of vending machines, Vendstar recommended Vending Dreams to IR as a locator of said vending machines;
5. That on or about February 24, 2005, Vending Dreams, by and through its officers, directors, employees, agents, affiliates, successors and assigns, including Susan Davis, Steven Mills, Jim Ellis, Major Itule and Bob Dillion, offered and/or sold to IR an opportunity to purchase supplies, equipment or services purportedly sufficient to enable IR to start a business and provided IR their assistance in finding locations for the use and operations of vending machines on premises neither owned nor leased by Respondent or IR in return for a payment from IR to Respondent in the total amount of \$1,150;
6. That Section 5-5.10(a) of the Illinois Business Opportunity Sales Law of 1995, [815 ILCS 602 5-1 et seq.] (the "Act") provides, inter alia, that a business opportunity is a contract or agreement, between a seller and a purchaser, express or implied, orally or in writing, wherein it is agreed that the seller or a person recommended by the seller shall provide to the purchaser any product, equipment, supplies or services enabling the purchaser to start a business when the purchaser is required to make a payment to the seller or a person recommended by the seller and the seller represents directly or indirectly, orally or in writing, that the seller or person recommended by the seller will provide or assist the purchaser in finding locations for the use

Order to Cease and Desist

-5-

or operation of vending machines on premises neither owned or leased by the purchaser or seller;

7. That the above-referenced promotion, solicitation or offer constitutes an offer and/or sale of a business opportunity as those terms are defined pursuant to Sections 5-5.10 and 5-5.20 of the Act;
8. That Section 5-25 of the Act provides, inter alia, that it is unlawful for any person to offer or sell any business opportunity in the State of Illinois unless that business opportunity is registered under the Act or is exempt from registration under Section 5-10 of the Act;
9. That at all times relevant, Respondent Vending Dreams, by and through its officers, directors, employees, agents, affiliates, successors and assigns, including Susan Davis, Steven Mills, Jim Ellis, Major Itule and Bob Dillion, failed to obtain or file for registration of the above-referenced business opportunity prior to any offer or sale in the State of Illinois;
10. That Section 5-65(1) of the Act provides, inter alia, that if the Respondent to an Order to Cease and Desist fails to file a written request a hearing within 30 days after the date of the entry of original Order to Cease and Desist, said Order will be permanent and the person named in the order will be deemed to have waived all rights to a hearing;

COUNT III: VIOLATION OF SECTION 5-95

- 1-7. Paragraphs 1-7 of Count II are re-alleged and incorporated as paragraphs 1-7 of this Count III;
8. That during the month of March, 2005, Respondent Vending Dreams, by and through its officers, directors, employees, agents, affiliates, successors and assigns, including Susan Davis, Steven Mills, Jim Ellis, Major Itule and Bob Dillion, represented that it would locate 30 vending machines at various Taco Bell locations and that Vending Dreams would contact the Taco Bell in said locations to arrange placement of said vending machines in return for a cash payment by IR in the amount of \$775;
9. That subsequent to the aforesaid payment by IR, Respondent Vending Dreams, by and through its officers,

Order to Cease and Desist

-6-

directors, employees, agents, affiliates, successors and assigns, including Susan Davis, Steven Mills, Jim Ellis, Major Itule and Bob Dillion, never located any of the aforesaid vending machines and that none of the aforesaid Taco Bell locations were ever contacted by Respondent in this regard;

10. That during the month of April, 2005, Respondent Vending Dreams, by and through its officers, directors, employees, agents, affiliates, successors and assigns, including Susan Davis, Steven Mills, Jim Ellis, Major Itule and Bob Dillion, represented that it would place IR's vending machines in 15 locations in return for an additional payment of \$375 which represented \$25 per location;
11. That Respondent Vending Dreams, by and through its officers, directors, employees, agents, affiliates, successors and assigns, including Susan Davis, Steven Mills, Jim Ellis, Major Itule and Bob Dillion, failed to place vending machines at 8 of the aforesaid 15 locations;
12. That as of this date, IR has not received a return of his money that he paid Respondent in this regard;
13. That Section 5-95 of the Act provides, inter alia, that it is unlawful for any person, in connection with the offer or sale of any business opportunity in this State of Illinois, directly or indirectly, to employ any device, scheme or artifice to defraud, to make any untrue statement of material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstance under which they are made, not misleading, or to engage in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person;
14. That at all times relevant, Respondent Vending Dreams, by and through its officers, directors, employees, agents, affiliates, successors and assigns, including Susan Davis, Steven Mills, Jim Ellis, Major Itule and Bob Dillion, made an untrue statement of material fact and engaged in an act, practice or course of business which operated as a fraud or deceit upon IR, in that Respondent represented to IR that, in return for a fee, it would place 30 vending machines at Taco Bell locations and

Order to Cease and Desist

-7-

would contact said locations in this regard, where in fact Respondent never contacted any of the aforesaid locations and vending machines were never placed at any of the aforesaid locations; furthermore, Respondent subsequently represented that it would place vending machines at 15 additional locations for an additional fee, when in fact vending machines were never placed at 8 of the 15 purported locations; as of this date, IR has not received a return of any of his money paid to Respondent in this regard;

15. That Section 5-65(1) of the Act provides, inter alia, that if the Respondent to an Order to Cease and Desist fails to file a written request a hearing within 30 days after the date of the entry of original Order to Cease and Desist, said Order will be permanent and the person named in the order will be deemed to have waived all rights to a hearing;

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Conclusions of Law contained in the said Summary Order as the Secretary of State's final Conclusions of Law as follows:

1. That by virtue of the foregoing, Respondent Vending Dreams, by and through its officers, directors, employees, agents, affiliates, successors and assigns, including Susan Davis, Steven Mills, Jim Ellis, Major Itule and Bob Dillion, has violated Section 5-25 and Section 5-95 of the Act;
2. That, by virtue of the foregoing, Respondent Vending Dreams, by and through its officers, directors, employees, agents, affiliates, successors and assigns, including Susan Davis, Steven Mills, Jim Ellis, Major Itule and Bob Dillion, are subject, pursuant to Section 5-65 of the Act, to an Order to Cease and Desist from offering and/or selling business opportunities in the State of Illinois.

NOW THEREFORE, IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 5-65 of the Act, Respondent Vending Dreams, by and through its officers, directors, employees, agents, affiliates, successors and assigns, including Susan Davis, Steven Mills, Jim Ellis, Major Itule and Bob Dillion, are to Cease and Desist from offering or

Order to Cease and Desist

-8-

selling business opportunities in the State of Illinois or to residents of the State of Illinois.

ENTERED: This 25<sup>th</sup> day of October, 2005.



JESSE WHITE  
SECRETARY OF STATE  
STATE OF ILLINOIS

Attorney for the Secretary of State:  
Johan Schripsema  
Illinois Securities Department  
520 South Second Street, Suite 200  
Springfield, Illinois 62701  
Telephone: (217) 524-1688

NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 5-115(a) of the Business Opportunity Law of 1995 [815 ILCS 602] (the ("Act")). Any person or entity that fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 3 felony.

This is a final order subject to administrative review pursuant to the Administrative Review Law, [735 ILCS 5/3-101 et seq.] and the Rules and Regulations of the Act (14 Ill. Admin. Code, Ch. I, Sec. 130.1123). Any action for judicial review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review.